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EX PARTE MEMORANDUM

December 19, 2007

Marlene H. Dortch, Secretary
Federal Communications Commission
445 – 12th Street, SW, Room TW-A325
Washington, DC 20554

Re: Universal Service Contribution Methodology,
CC Docket No. 96-45; WC Docket No. 06-122

On December 18, 2007, Allan Fromm, Darlene Campbell, Brian Gilmore, Dave Wenhold and the undersigned as counsel, representing the Association of TeleServices International, Inc. (ATSI), met with Chris Moore, Legal Advisor to Commissioner Tate, concerning the proposed numbers-based contribution methodology for funding the Universal Service Fund (USF). After first summarizing information concerning the industry represented by ATSI set forth in the attached brochure, the ATSI representatives expressed their concerns about the pending proposal to convert to a numbers-based system, and outlined the substantial adverse impact such a contribution methodology would have on the industry represented by ATSI, if contributions were assessed on a uniform, per-number basis.

The ATSI representatives noted that ATSI members use a disproportionate amount of telephone numbers because significant blocks of Direct Inward Dial (DID) numbers are employed in their businesses for network signaling and call distribution purposes. The average ATSI member has approximately 2,000 DID numbers assigned to it by Local Exchange Carriers (LECs), which generate less than five minutes of network use per day (overwhelmingly local usage, rather than interstate), compared to 25-30 minutes of use associated with the typical wireless or wireline telephone number. The current USF contribution by ATSI members translates to approximately six cents per DID number per month. At the publicly discussed contribution levels on the order of \$1.20 to \$1.50 per number, their USF contribution would dramatically increase, and approach 10% of a member's entire gross revenue. The ATSI representatives expressed the hope that any numbers-based USF contribution methodology adopted by the Commission would be more equitable than a uniform, per-number fee assessed against ATSI member DID numbers.

Attached is a copy of the brochure describing the industry represented by ATSI that was provided to Mr. Moore during the meeting.

Respectfully submitted,

s/Kenneth E. Hardman

Enclosure

cc: Chris Moore, Esq.

AMERICA’S PRIVATE SECTOR CRITICAL RESPONSE CENTERS

In the dark silence of the night, there are a few lights forever burning – a few voices never stilled.

Those lights are your community’s Private Sector Critical Response Centers. The voices are those of 40,000 skilled agents.

For nearly 100 years, PSCRC agents have faithfully answered America’s critical calls around the clock, every day and night. Their caring voices bring a feeling of security, whatever the need or the hour.

9-1-1 centers are well understood by the public to be government entities handling calls from the public for first responders – fire, police and ambulance.

Yet when trouble strikes, 9-1-1 is not the only telephone number Americans dial for assistance. Citizens understand less about how other types of emergency calls are handled – and by whom.

Many of the critical elements of America’s vital infrastructure – government, not-for-profit, professional, healthcare and commercial entities – contract with America’s Private Sector Critical Response Centers (PSCRC) to handle emergency calls.

PSCRCs are local businesses, and most have less than 25 employees. Many are woman-owned small businesses, often owned by the same family for multiple generations. Some are operated by not-for-profit organizations such as medical societies and charity hospitals.

The business requires an extremely high level of technical knowledge and competence, especially in the operations and functionality of the Public

Switched Telephone Network (PSTN) and the Internet. Today’s PSCRC physical plant is impressive in its disaster readiness and notable for the extensive technology required to interface both voice and data communications with hundreds of subscribers.

Owners and senior managers are experts at analyzing, planning and implementing routine, critical and emergency communications protocols.

PSCRC agents undergo extensive screening to gain entry-level positions and must complete intensive training in technical and soft skills, followed by routine evaluations – typically on a bi-weekly basis.

As they handle emergency calls, agents evaluate each contact and execute sophisticated relay protocols that often vary as circumstances develop. Callers may be routed via the PSTN or Internet directly to client personnel or a contact record may be created for subsequent dispatch, escalation and broadcast.

The technology and public networks that carry calls and data between subscribers and PSCRC agents have changed dramatically since the early 20th century. People haven’t. Private Sector Critical Response Centers remain critical to callers in distress.

PSCRC agents provide essential services for 21st century Americans.

- . **2,746** PSCRCs across the 50 United States
- . **44,711** U.S. citizen employees
- . **3.6** billion call transactions handled annually
- . **1.4** million government, not-for-profit, professional, healthcare and commercial subscribers
- . **\$552,170** – average annual gross revenues per business
- . **45** percent of average gross revenues goes to direct payroll expenses
- . **\$1.5** billion annual gross revenues – industry-wide

TYPICAL PSCRC SUBSCRIBERS

Commercial Continuity

Banks
Fuel Delivery Services (emergency generators)

Communications

Cable (MSO) Service Providers
Internet Service Providers
Telephone Carriers
Wireless Messaging Carriers
Wireless Telephone Carriers

Disaster Relief / Crisis Assistance

Rape Crisis Centers
Red Cross
Search & Rescue Leagues
Suicide Hotlines

Environmental Services

Environmental Agencies
Environmental Contamination & Cleanup Services
Hazardous Material Response Services
HazMat Decontamination Teams

Federal and State Government

Federal Reserve Bank Branches
Homeland Security Regional Offices
Immigration and Customs Enforcement
Field Offices
OSHA Field Offices
State Regulatory Commissions

Foreign Government

Consulates
Embassies

Industrial Operations

Chemical Plants
Gas Distribution Companies
Petrochemical Plants
Pipeline Operations

Healthcare

Ambulance Services (private sector)
Blood Centers
Burn Centers
Clinics
Funeral Homes, Crematoriums
Home Health Services
Hospices
Hospitals — General, Specialty, Pediatric
Infusion Therapists
Oxygen Supply Delivery
Public Health Clinics
Physicians
Surgeons
Trauma Centers & Emergency Rooms

Miscellaneous Services

Animal Control Services
ASPCA
Veterinary Services

Public Safety

9-1-1 Public Safety Answering Points
Alcohol, Tobacco & Firearms Field Offices
Emergency Auto Removal (mass evacuations)
Emergency Operations Centers (local and state)
Federal Bureau of Investigation Field Offices
Law Enforcement (county, state, highway)
Police (local)
Sheriff and Constable Offices
Volunteer Fire Departments

Public Utilities

Electrical Power Utilities
Heating Oil Delivery
Natural Gas Utilities
Propane/Butane Delivery
Water Companies

Transportation

Airfreight
Airport Operations
Flight Base Operations Units
Marine Freight & Shipping
Rail Freight
Rail Operations Centers
Regional Traffic Control Centers
Sea Ports

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Telephone Carriers
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Disaster Relief / Crisis Assistance

Rape Crisis Centers
Red Cross
Search & Rescue Leagues
Suicide Hotlines

Environmental Services

Environmental Agencies
Environmental Contamination & Cleanup Services
Hazardous Material Response Services
HazMat Decontamination Teams

Federal and State Government

Federal Reserve Bank Branches
Homeland Security Regional Offices
Immigration and Customs Enforcement
Field Offices
OSHA Field Offices
State Regulatory Commissions

Foreign Government

Consulates
Embassies

Industrial Operations

Chemical Plants
Gas Distribution Companies
Petrochemical Plants
Pipeline Operations

Healthcare

Ambulance Services (private sector)
Blood Centers
Burn Centers
Clinics
Funeral Homes, Crematoriums
Home Health Services
Hospices
Hospitals — General, Specialty, Pediatric
Infusion Therapists
Oxygen Supply Delivery
Public Health Clinics
Physicians
Surgeons
Trauma Centers & Emergency Rooms

Miscellaneous Services

Animal Control Services
ASPCA
Veterinary Services

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Police (local)
Sheriff and Constable Offices
Volunteer Fire Departments

Public Utilities

Electrical Power Utilities
Heating Oil Delivery
Natural Gas Utilities
Propane/Butane Delivery
Water Companies

Transportation

Airfreight
Airport Operations
Flight Base Operations Units
Marine Freight & Shipping
Rail Freight
Rail Operations Centers
Regional Traffic Control Centers
Sea Ports